

House Bill 879

By: Representatives Oliver of the 83rd, Hugley of the 133rd, and Stephenson of the 92nd

A BILL TO BE ENTITLED
AN ACT

To amend Part 2 of Article 15 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated, known as the "Fair Business Practices Act of 1975," so as to place conditions and limitations on spot deliveries; to define the term "spot delivery"; to provide for remedies under certain conditions; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Part 2 of Article 15 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated, known as the "Fair Business Practices Act of 1975," is amended by adding following Code Section 10-1-393.7, relating to solicitation during final illness and penalty, a new Code Section 10-1-393.8 to read as follows:

"10-1-393.8.

(a) For purposes of this Code section, the term 'spot delivery' means the placement of a motor vehicle with the purchaser or lessee while the final sale or lease is pending or subject to rescission because the credit transaction has not been approved or assigned to a financial institution.

(b) If a purchaser or lessee takes possession of a motor vehicle that is the subject of a spot delivery, such delivery shall be subject to the following written conditions:

(1) That if the sale or lease is not concluded by the financing of the sale or lease to the purchaser or lessee within 30 days of the delivery, the sale or lease contract shall be null and void;

(2) That any motor vehicle being offered for trade-in by the purchaser or lessee shall not be sold by the motor vehicle dealer until the conditional sale or lease is complete and that any payment due or that becomes due while the trade-in vehicle is in the hands of the dealership shall be the sole responsibility of the prospective purchaser or lessee;

1 (3) That any motor vehicle being offered for trade-in by the purchaser or lessee shall not
2 be repaired or serviced by the motor vehicle dealer until the conditional sale or lease is
3 complete;

4 (4) That the prospective purchaser or lessee may be required to obtain insurance,
5 including liability insurance, for any damages to the vehicle occurring during the
6 prospective purchaser's or lessee's custody of the vehicle;

7 (5) That the charge to the purchaser or lessee, should the sale or lease not be completed,
8 shall be limited to a maximum charge of \$5.00 per day including, but not limited to,
9 mileage charges and that the purchaser or lessee may be charged for unreasonable wear
10 and tear of the vehicle while it is in the prospective purchaser's or lessee's custody;

11 (6) That if the conditional sale is not completed, the motor vehicle dealer shall refund to
12 the purchaser or lessee all sums placed with the dealership as a deposit or for any other
13 purpose associated with the attempted sale or lease of the vehicle less any amounts
14 charged pursuant to paragraph (5) of this subsection and return the trade-in vehicle, if
15 any; and

16 (7) That the prospective purchaser or lessee shall return the vehicle to the dealership
17 within 48 hours of receipt of notification from the dealer that the conditional sale or lease
18 will not be completed.

19 (c) For violations of this Code section, subsection (c) of Code Section 10-1-399 shall not
20 apply."

21 **SECTION 2.**

22 All laws and parts of laws in conflict with this Act are repealed.